

General Information Letter: The IITA prescribes no maximum time for which a taxpayer must retain books and records substantiating its Illinois income tax liability.

April 8, 2003

Dear:

This is in response to your letter dated March 14, 2003, in which you request a Letter Ruling. Department of Revenue ("Department") regulations require that the Department issue only two types of letter rulings, Private Letter Rulings ("PLRs") and General Information Letters ("GILs"). PLRs are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. GILs do not constitute statements of agency policy that apply, interpret or prescribe the tax laws and are not binding on the Department. For your general information, the regulation governing the issuance of letter rulings, 2 Ill. Adm. Code Part 1200 regarding rulings and other information issued by the Department, can be accessed at the Department's website. That address is [www.revenue.state.il.us/legalinformation/regs/part1200](http://www.revenue.state.il.us/legalinformation/regs/part1200).

The nature of your question and the information provided require that we respond only with a GIL. In your letter you state as follows:

COMPANY is a reputable and licensed environmental engineering facility in the State of Illinois.

As a growing company, we are seeking your assistance in obtaining any record retention schedules that you may have to assist us in records management and retention. Specifically, we are requesting all regulations or Acts which reference time frames for retaining (storing) our records.

This information would be used to assist us in managing the retention of billing and client records, correspondence, project documentation, employment related documents, payroll, and other business related records.

Please be advised that neither the Illinois Income Tax Act (IITA) nor the regulations promulgated thereunder provide a minimum time for which records should be retained. However, IITA 501 imposes a duty upon persons liable for Illinois income tax to "keep such records... as the Department may from time to time prescribe." In general, records which substantiate any information reported on an Illinois income tax return should be retained until after the limitations period for issuance of a notice of deficiency with respect to that return has expired.

We have referred a copy of your correspondence to the Sales Tax Legal Department for comment on records retention requirements thereunder.

As stated above, this is a GIL which does not constitute a statement of policy that applies, interprets or prescribes the tax laws, and it is not binding on the Department. If you wish to obtain a PLR which will bind the Department with respect to the application of the law to specific facts, please submit a request conforming to the requirements of 2 Ill. Adm. Code Part 1200.

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Sincerely yours,

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